

GOVERNMENT OF ANDHRA PRADESH

ABSTRACT

ARBITRATION –Suits- Settlement of decrees in O.S.No. 93/2001, dated 10-02-2003 and O.S.No.94/2001 dated 10-02-2003 of the XIIth Additional Chief Judge, City Civil Court, Hyderabad for an amount of Rs. 7,50,00,000 as full and final settlement with M/s. G. Ramachandra Reddy & Co., Engineers & Contractors in respect of 1st set of World Bank Package works of Srisailem Right Branch Canal (SRBC) - Package Nos.III & V covered by Agt.Nos.21 SE/88-89 & 22 SE/88-89, dt.20.01.1989 – Orders – Issued.

IRRIGATION & C.A.D. (ARB.) DEPARTMENT.

G.O.(Ms.) No. 9

Dated the 03rd February, 2010.

1. From M/s.G.Ramachandra Reddy & Co, Engineers & Contractors, representation dated 30-12-2008.
2. Govt.Memo.No.11159/ARB.09-1, dated 21-05-2009.
3. From the ENC, Med.Irrgn., Hyd., Lr.No.ENC/Med/DCE-III/OT1/ARB-21/2008, dated 10-09-2009 and dt.31-10-2009.

--::--

O R D E R:

Sri G.Padmanabha Reddy, Managing Partner, M/s.G. Ramachandra Reddy & Co., Engineers & Contractors in the reference first read above, has stated that in view of the long pendency of the settlement of the 1st set of World Bank Package works of Srisailem Right Branch Canal (SRBC) Package Nos.III & V covered by Agt.Nos.21 SE/88-89 & 22 SE/88-89, dated 20-01-1989 has requested the Principal Secretary to Government, I & CAD (ARB.) Dept. to settle the claims of decrees in O.S.No. 93/2001, dated 10-02-2003 and O.S. No.94/2001,dated 10-02-2003 of the XIIth Addl. Chief Judge, City Civil Court, Hyderabad by mutual negotiations and conciliation for settlement of balance decretal amount.

2. In the reference second read above, based on the report of the Chief Engineer (Projects), Irrigation, Kurnool and as per the advise of the Learned Advocate-General, High Court of A.P., Hyderabad, the case has been referred to the Conciliation Committee for Rayalaseema Region for negotiation with the Contractor.

P.T.O.

3. The Engineer-in-Chief, Medium Irrigation and Chairman/Convenor of the Conciliation Committee for Rayalaseema Region, Hyderabad has furnished the report of the conciliation Committee for Rayalaseema Region, dated 18-07-2009 for taking further necessary action at Govt. Level vide reference third read above. Wherein, the Conciliation Committee, while furnishing the brief facts of the case has recommended that the amount payable to the contractor comes down to Rs.4,98,41,303/-against the amount of Rs.7,29,64,403/- of O.S.No.93/2001 and Rs.2,85,94,473/- against the amount of Rs.4,86,40,072/-of O.S.No.94/2001 (i.e.,totaling to Rs.7,84,35,776/-). This is against the total amount of Rs.12,16,04,475/- payable to the Contractor as per the originally Awarded amounts in O.S.Nos.93/2001 and 94/2001, dated 10-02-2003. In the negotiation held by the Committee, the Contractor has offered substantial reduction of Rs.4,31,68,699/- on the amounts decreed by the Court. Thus, the Committee has recommended the case to the Government for taking a decision.

4. The Principal Secretary to Government, I & CAD Dept. has also conducted final conciliation with the Agency on 30-10-2009 and settled the decrees for an amount of Rs.7,50,00,000/- as full and final settlement for the two decrees. The Contractor has also agreed to the above settlement. The Engineer-in-Chief, Med.Irrng., Hyderabad and the Chairman/Convenor has obtained the Notarized Affidavit from the Agency to this effect, wherein, while agreeing to the said consideration, the Agency has declared that they will withdraw all their legal proceedings in Andhra Pradesh High court or in any other courts, if the said amount Rs.7,50,00,000/- inclusive of principal and interest in all as lumpsum is paid to them by the Government, as agreed in token of settlement of the suit cases pending in courts.

5. After careful examination of the matter, Government hereby sanction an amount of Rs.7,50,00,000/- (Rupees seven crores and fifty lakhs only) towards full and final settlement of the decrees in O.S. No.93/2001, dated10-02-2003 and O.S.No.94/2001 dated 10-02-2003 of the XII Addl.Chief Judge, City Civil Court, Hyderabad, to M/s. G. Ramachandra Reddy & Co., Engineers & Contractor, in respect of the 1st set of World Bank Package works of Srisailem Right Branch Canal (SRBC) Package Nos.III & V covered by Agt.Nos.21 SE/88-89 & 22 SE/88-89, dated 20.01.1989 awarded to M/s. G. Ramachandra Reddy & Co., Engineers & Contractors.

(Contd...3)

:: 3 ::

6. The above sanctioned amount shall be debited to the following Head of Account:

"2701 Major & Medium Irrigation (01) Major Irrigation commercial MH 123 SRBC – 11 NSP – SH 27 Canals distributaries 530 Major works 531 other expenditure".

7. The Chief Engineer, Projects, Irrigation, Kurnool, is directed to arrange to pay the amount sanctioned at para (5) above to the Agency duly deducting the amounts that are recoverable on whatsoever account.

8. This order issues with the concurrence of Finance (W&P) Department, vide their U.O.No.223/f4(1)/10-1, dated 27-01-2010.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

S.P.TUCKER,
PRINCIPAL SECRETARY TO GOVERNMENT.

To
The Chief Engineer (P), Irrigation, Kurnool.
The Director of Works Accounts, A.P., Hyderabad.
M/s.G.Ramachandra Reddy & Co., Engineers & Contractors,
H.No.8-2-703/A/6/A, Road No.12, Banjara Hills, Hyderabad -34.

Copy to:

Finance (W&P) Dept. (with a request to release the
LOC for the sanctioned amount).

I & CAD (P&B) Department.

The Accountant-General, A.P., Hyderabad.

The Learned Advocate-General, High Court of A.P.,
High Court Buildings, Hyderabad.

The Government Pleader for Irrigation, High Court of A.P.,
High Court Buildings, Hyderabad.

S.C. S.F.

// FORWARDED :: BY ORDER //

SECTION OFFICER.